NCA
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AL ORTIZ/PANAMA

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PERUVIAN AMNESTY AND POLICIES

ANNCR:

THE PRESIDENT OF PERU'S MILITARY GOVERNMENT, GENERAL FRANCISCO MORALES BERMUDEZ, SAYS HIS GOVERNMENT PLANS TO OFFER AN AMNESTY TO POLITICAL PRISONERS AND POLITICAL EXILES. THE PERUVIAN LEADER MADE THE ANNOUNCEMENT IN A SPEECH LATE LAST WEEK, AND V-O-A-'S AL ORTIZ HAS THIS BACKGROUND REPORT.

VOICE:

DETAILS OF THE AMNESTY HAVE NOT BEEN ANNOUNCED. IN FACT, THE PLAN IS STILL BEING WORKED OUT BY PERUVIAN GOVERNMENT OFFICIALS, AND IT'S NOT CLEAR HOW MANY PEOPLE IT WILL AFFECT. A GOVERNMENT SPOKESMAN SAYS THERE ARE NO OFFICIAL FIGURES ON THE NUMBER OF POLITICAL PRISONERS OR EXILES.

IN THE SAME SPEECH IN WHICH HE ANNOUNCED THE AMNESTY, PRESIDENT MORALES SAID PERU MUST ATTRACT AND PROTECT FOREIGN INVESTMENTS ACCORDING TO THE GOALS OF THE PERUVIAN REVOLUTION.

THE PRESIDENT'S ANNOUNCEMENT OF THE AMNESTY AND HIS STRESS ON FOREIGN INVESTMENTS ARE PART OF WHAT PERUVIAN OFFICIALS CALL THE SECOND PHASE OF THE REVOLUTION -- A PHASE BEGUN WITH THE OUSTER OF PRESIDENT MORALES' PREDECESSOR GENERAL JUAN VELASCO ALVARADO ABOUT EIGHT MONTHS AGO. GENERAL VELASCO'S PRESIDENCY WAS CHARACTERIZED

BY TOUGH MOVES AGAINST DISSIDENTS AND FOREIGN BUSINESSES. HE EXPROPRIATED THE VITAL INDUSTRIES OF COPPER, FISHING AND OIL. HE ALSO DIVIDED THE ECONOMY INTO FOUR SECTORS.

ONE SECTOR IS CALLED THE SOCIAL PROPERTY SECTOR. IT'S MADE UP OF BUSINESSES OWNED AND OPERATED BY GROUPS OF WORKERS. SECONDLY, THERE'S THE STATE PROPERTY SECTOR -- GOVERNMENT-OWNED AND GOVERNMENT-RUN INDUSTRIES OF FISHING, MINING AND PETROLEUM. THERE'S THE REFORMED PRIVATE SECTOR -- BUSINESSES WITH WORKERS SHARING EQUALLY IN OWNERSHIP AND ADMINISTRATION. AND FINALLY, THE SMALL BUSINESS SECTOR WHERE WORKERS SHARE IN THE OWNERSHIP, BUT NOT IN THE ADMINISTRATION OF SMALL FIRMS.

IN A MAJOR POLICY SPEECH LAST MARCH, PRESIDENT MORALES ANNOUNCED THAT HIS GOVERNMENT WOULD MAINTAIN THE FOUR ECONOMIC SECTORS, AND HE SAID THE REVOLUTION WOULD CONTINUE THE GRADUAL TRANSFER OF ECONOMIC AND POLITICAL POWER TO THE ORGANIZED PUBLIC. THE KEY WORD HERE IS "GRADUAL." THE PRESIDENT REJECTED ALL CALLS FROM LEFTIST UNIONS OR STUDENT GROUPS FOR ECONOMIC SHOCK TREATMENT. AT THE SAME TIME, PRESIDENT MORALES SPOKE OF THE NEED FOR ECONOMIC PLURALISM AND SAID FLATLY THAT PERU NEEDS FOREIGN INVESTMENT IF IT IS TO OVERCOME A SEVERE BALANCE OF PAYMENTS PROBLEM.

TO OPEN THE DOOR FOR NEW FOREIGN INVESTMENTS, PERU IS NEGOTIATING SEVERAL OUTSTANDING BUSINESS DISPUTES THAT GREW OUT OF THE VELASCO GOVERNMENT'S NATIONALIZATION OF FOREIGN-OWNED FIRMS, AND PERU IS REPORTEDLY CONSIDERING LIFTING THE CURRENT TEN PERCENT CEILING ON THE AMOUNT OF PROFITS THAT A FOREIGN FIRM CAN TAKE OUT OF THE COUNTRY.

PERHAPS THE MOST NOTICEABLE DEMONSTRATION OF THE POLICY OF GRADUALISM CAN BE SEEN IN THE GOVERNMENT'S ATTITUDE TOWARD THE PRESS. THE VELASCO ADMINISTRATION, FACED WITH CRITICISM IN THE PRESS, SEIZED ALL MAJOR DAILY NEWSPAPERS AND TURNED THEM OVER TO GROUPS, SUCH AS FARMERS AND INDUSTRIAL WORKERS, THE NEWSPAPERS PROMPTLY TOOK HARD-LINE LEFTIST STANDS ON IMPORTANT ISSUES. THE CURRENT ADMINISTRATION FIRED THE NEWSPAPER DIRECTORS AND REPLACED THEM WITH MORE MODERATE EDITORS. AT THE SAME TIME, WEEKLY PUBLICATIONS REMAIN VIRTUALLY FREE OF GOVERNMENT CONTROL, AND THEY CONTINUE TO CRITICIZE THE GOVERNMENT AT WILL. PRESIDENT MORALES SAID HIS ADMINISTRATION HAD OPENED THE CHANNELS FOR DIALOGUE AND FREE EXPRESSION -- CHANNELS THAT HE SAID WERE CLOSED DURING THE FIRST PHASE OF THE REVOLUTION.

ALL THIS -- THE ANNOUNCEMENT OF THE AMNESTY, THE EFFORTS TO ATTRACT FOREIGN INVESTMENT AND THE CHANGING ATTITUDE TOWARD THE PRESS -- SUGGEST THAT PRESIDENT MORALES IS TRYING TO AVOID THE LABEL OF COMMUNIST OR LEFTIST AND THAT HE IS TRYING TO MOVE AWAY FROM WHAT HE CALLED THE PAST ABUSES OF POWER. BUT HE INSISTS THAT THE REVOLUTION'S GOAL REMAINS THE SAME -- TO PUT MORE POWER IN THE HANDS OF THE PEOPLE.

GH/PBM